

# Security Guards

No licensing required on the state level, but Kansas City, St Louis, Joplin, St Joseph and Springfield require licensing.

Missouri Revised Statutes  
Chapter 84  
Police Departments in St. Louis and Kansas City  
Section 84.340

Missouri  
P.O. Box 720  
Jefferson City, MO 65102

August 28, 2000

84.340. The police commissioner of the said cities shall have power to regulate and license all **private watchmen**, private detectives and private policemen, serving or acting as such in said cities, and no person shall act as such **private watchman**, private detective or private policeman in said cities without first having obtained the written license of the president or acting president of said police commissioners of the said cities, under pain of being guilty of a misdemeanor.

NOTE: The Division of Employment Security may consider an employer who provides, or leases, employees to another business to be a lessor employing unit. The business using the employees is termed a client lessee.

The Missouri Employment Security Law states that a lessor employing unit will be responsible for reporting all wages paid and liable for contributions(tax) due on the wages paid.

1. The lessor employing unit has the option to make a financial guarantee to the Division to pay contributions due. The lessor may guarantee payment by posting and maintaining a surety bond, depositing securities, providing an irrevocable letter of credit, or obtaining a certificate of deposit. This action will relieve the lessor's clients of any liability. It will also allow the lessor to report all employees on one quarterly return.

2. If the lessor does not make a financial guarantee to the Division that contributions will be paid, the client lessee will be jointly liable for contributions due on wages paid to the employees provided to it. In order to identify the employees provided to each client lessee, the lessor must file a separate quarterly return for each client lessee.

To maintain correct records, the Division requires the lessor to submit a quarterly list of its clients.

NOTE: The above provisions do not apply to private employment agencies who provide their employees to others on a temporary help basis.

Contact: Department of Labor and Industrial Relations  
Division of Labor Standards  
3315 West Truman Blvd.  
P.O. Box 449  
Jefferson City, MO 65102-0499  
Phone: 573/751-3403

Web Site: <http://www.dolir.missouri.gov/es/ui%2Dtax/m4267.html>

## Legal Structure

Anyone conducting business in the State of Missouri under a name other than their own legal name (e.g., John Doe), must register the business name with the Missouri Secretary of State. Missouri law allows businesses to operate under four forms of organization:

- sole proprietorship
- partnership – general and limited
- corporation -- C-Corp; S-Corp; Professional, Not-for-Profit; Foreign
- limited liability company – LLC

Each structure has its own advantages and disadvantages and there are many modifications and variations within these forms. The key to selection revolves around the concept of liability and taxation. You must decide which of these structures best suits your business. In choosing your business structure, consult with a qualified accountant and/or attorney who are familiar with your resources and objectives.

A description of the forms of organization and some of the advantages and disadvantages are discussed in *Starting A New Business In Missouri*. You can download forms on the web at:

<http://www.ded.state.mo.us/business/startabusiness/legalstructures.shtml>

or contact the Secretary of State's Office at (573) 751-3200.

## Taxes

Understanding the taxes that apply to your business and how to meet the legal requirements of those taxes is critical. Consultation with an accountant or attorney is advisable.

Tax considerations are essential during the formation of a new business and during its entire life. When a business is just starting out, it may have little or no income or assets and the choice of structure may not seriously affect its tax liability. However, as the business grows, the tax implications become more significant.

Choosing a particular structure does not necessarily determine how the business will be taxed. The table found on page 26 of *Starting A New Business in Missouri* identifies the state and federal forms that must be filed for different business structures and compares the tax liabilities for the most common business structures.

Tax responsibility includes federal, state and local taxes. As a business owner you will be responsible for income taxes, payroll taxes, property tax and other miscellaneous taxes.

Any business making retail sales must obtain a Missouri Retail Sales License from the Missouri Department of Revenue. A bond, based on projected monthly gross sales is posted at the time of application. An application form (Form #2643) can be obtained from the Dept. of Revenue on the web at <http://www.dor.state.mo.us/dorforms.htm> or by calling 1-800-877-6881. Generally, a wholesaler or manufacturer will present a Sale/Use Tax Exemption Certificate (Form #149) to the seller showing the sale is exempt from sales tax.

For more information on taxes and access to printable copies of the required forms visit:

<http://www.ded.state.mo.us/business/startabusiness/businesstaxes.shtml>

## Hiring Employees

Obtain a "Business Tax Kit" and a copy of "Circular E, Employer's Tax Guide" from your local IRS office or call 1-800-829-3676. "Circular E" explains federal tax withholding and Social Security tax requirements for employers as well as containing up-to-date withholding tables for you to use to determine how much federal income tax and Social Security tax is to be withheld from each employee's paycheck.

### What Is Involved?

- Once you begin paying salary or wages to employees, you must collect taxes from your employees. The primary taxes are: federal and state income taxes, Social Security (FICA) and Medicare taxes.
- If you have not already done so, you must apply for a federal employer identification number (EIN) -- Form SS-4. This number is used to identify your business on payroll and income tax returns, as well as for other federal tax purposes. Corporations and partnerships must file Form SS-4 even if they have no employees.
- Have each employee complete an I-9 Employment Eligibility Verification Form and a W-4 form.
- Missouri require that all employers in Missouri report each newly hired employee to the Department of Revenue within 20 calendar days of hire.

For more information on your responsibilities as an employer, please contact our office or your local Workforce Development Career Center (formerly Job Service). To locate the nearest office, check the phone book or call (573) 751-3999 or [http://www.works.state.mo.us/es\\_offices/index.htm](http://www.works.state.mo.us/es_offices/index.htm)

For a complete discussion on hiring employees, your responsibilities, and access to the required forms, refer to: <http://www.ded.state.mo.us/business/startabusiness/becominganemployer.shtml>

### Resources:

In addition to information on the legal requirements, we think that you will find the following information helpful as you begin your business:

You can download copies of ***Starting a New Business in Missouri*** at:

<http://www.ded.state.mo.us/business/pdfs/startuppacket.pdf>

and ***Doing Business in Missouri*** at:

<http://www.ded.state.mo.us/business/startabusiness/doingbusinessinmissouri.shtml> two excellent publications on the process of starting and operating a business in Missouri.

Evaluating Your Business Idea [www.umsi.edu/~smallbus/Evalbus.pdf](http://www.umsi.edu/~smallbus/Evalbus.pdf)

Guide to Writing A Business Plan [www.umsi.edu/~smallbus/BusplanG/BusplanG.pdf](http://www.umsi.edu/~smallbus/BusplanG/BusplanG.pdf)

The Missouri Business Development Network is a partnership of the key resource providers in Missouri. Their website contains a vast array of helpful documents, links and information on starting and operating your small business. In addition, it contains a calendar of upcoming training and educational events throughout Missouri. [www.missouribusiness.net](http://www.missouribusiness.net)

For information on resource providers and business counselors, refer to:

[http://www.missouribusiness.net/service\\_centers.asp](http://www.missouribusiness.net/service_centers.asp)

For Information on local (city or county) requirements, contact the City Clerk and/or County Clerk. A list of county clerks is found on the Web at [www.sos.state.mo.us/elections/countyclerks.asp](http://www.sos.state.mo.us/elections/countyclerks.asp)

### Missouri Lawyer Referral Service

Kansas City: (816) 221-9473 (Clay, Jackson, Platte & Ray counties)

St. Louis City & County: (314) 621-6681

Springfield/Greene County: (417) 831-2783

Rest of Missouri: (573) 636-3635

Web at <http://www.mobar.org/pamphlet/referral.htm>

Missouri Society of Accountants 1-800-959-4276  
Web at: <http://www.missouri-accountants.com>